CITY OF EL CAJON

Proposition J

(This proposition will appear on the ballot in the following form.)

PROP J

To prevent further cuts and preserve funding for general city services, including maintaining firefighters and police officers for adequate emergency response, reducing crime and criminal gang/drug activity, maintaining city streets/parks, and preserving youth/after-school programs; shall the City of El Cajon adopt an ordinance enacting a one-half cent transactions and use (sales) tax, automatically expiring in twenty years, with independent oversight, mandatory audits and all money staying local to preserve El Cajon city services?

This proposition requires approval by a simple majority (over 50%) of the voters voting on the proposition.

CITY ATTORNEY'S IMPARTIAL ANALYSIS

Proposition J proposes to raise revenue for the purpose of preserving funding for essential city services by authorizing a sales tax of one-half of a cent within the City of El Cajon. The tax would be paid in addition to the current state and local sales taxes, including the City's existing one-half cent sales tax approved by voters in 2004. It would be collected at the same time and in the same manner as existing sales taxes.

California Revenue and Taxation Code Section 7285.9 authorizes the City Council to levy a transaction and use tax (i.e., a "sales") tax for general purposes at a rate of 0.25 percent (or any multiple thereof) if the tax is approved by a majority of the qualified voters of the city voting in a general municipal election. If approved by the voters, the sales tax will be adopted by ordinance to become effective no sooner than April 1, 2009. By its terms, the sales tax would be eliminated twenty (20) years following the effective date of the tax.

The revenues raised from the sales tax are not specified for a particular purpose, but will be available to fund ongoing and essential governmental services, including police and fire operations, recreational services, parks and building maintenance services, and other, general, city services.

The sales tax increases will be subject to certain conditions, including a provision for independent oversight, both in the collection of the tax and the appropriation of the tax revenues, by a citizen's advisory committee, which shall report any findings to the community. Further, expenditure of the funds will be subject to the City's annual independent audit.

Under the terms of the proposed ordinance and California law sales of property to be used outside of the City of El Cajon, and which are delivered to the purchaser outside of the City, are exempt from the tax. Motor vehicles, aircraft and marine vessels sold in the City of El Cajon, but to non-City residents, are considered "delivered" outside the City of El Cajon so long as the property is registered to an out-of-City address and certain other requirements are met.

The above statement is an impartial analysis of the Ordinance for Proposition "J". If you desire a copy of the Ordinance, please call the El Cajon City Clerk's Office at (619) 441-1763 and a copy will be mailed to you at no cost. It is also available on the City's website at www.ci.el-cajon.ca.us.

PR-09E0-1 **SD 000-000**

ARGUMENT IN FAVOR OF PROPOSITION J

Local police officers, firefighters, business and civic leaders, parents and citizens throughout El Cajon urge you to VOTE YES on Proposition J—to protect our community from devastating cuts that will impact El Cajon's quality of life for years to come.

Our City is facing a serious budget crisis. Like many other communities in California, El Cajon's problem is a growing General Fund deficit caused by skyrocketing operational costs at a time when city revenues are declining. The City has no control over these trends yet it must address them to maintain a balanced budget.

City leaders have been proactive in controlling costs by reducing services, eliminating positions and programs, delaying infrastructure maintenance, using attrition, and implementing strict cost controls. But now there is nothing left to cut except essential services including public safety.

Proposition J will PREVENT extreme reductions in essential City services including:

- Eliminating dozens of police and firefighter positions
- Taking emergency equipment out of service—hurting 911 emergency response times
- Drastically reducing street maintenance services
- Terminating Recreation programs including after-school activities that keep kids away from drugs, gangs and crime

Because of the scale of El Cajon's budget shortfall, only two choices remain: generate additional revenue or continue making deep cuts to city services.

Proposition J, will provide a stable source of local funding to prevent devastating and extreme cuts to El Cajon City services.

100% of Proposition J funds will stay in El Cajon to provide essential city services—including public safety, so emergency responders like police, firefighters, and paramedics are available to help when you need them most.

Proposition J REQUIRES accountability. An Independent Citizens' Oversight Committee and mandatory audits will ensure funds are spent properly. Future changes to Proposition J cannot be made without a vote of the people.

Protect your investment in El Cajon.

PLEASE—VOTE YES on J.

RODNEY L. GEILENFELDT II
El Caion Firefighter Paramedic &

El Cajon Resident

El Cajon Resident

DEBBIE COMSTOCK Community Advocate & BUELL W. STONE Local Businessman &

Executive Director for Stoney's Kids

JIM REDMAN El Cajon Police Officer & 18 Year Resident

WILLIAM B. KOLENDER El Cajon Resident

PR-09E0-2 SD 000-000

ARGUMENT AGAINST PROPOSITION J

SHAME ON THE CITY COUNCIL FOR TRYING TO FOOL TAXPAYERS.

Prop J pretends to be a tax primarily for fire and police protection.

That is false; Prop J is a smokescreen. NOT ONE CENT in Prop J is earmarked for public safety.

All Prop J money goes into the city General Fund so politicians can spend it however they want.

The true reason for Prop J is that salaries and benefits now eat up 77% of the General Fund. El Cajon has a Rolls Royce employee pension plan. Employees do not contribute a penny to their guaranteed City pensions; YOU pay it all.

In a shocking admission of defeat, city officials write, "all costs are out of the City's control." They cannot control themselves, so they want taxpayers to pay for their spending binge.

PROP J TAX GIVES EL CAJON THE HIGHEST SALES TAX RATE IN THE STATE.

Prop J's tax hike is <u>in addition to</u> the proposed County fire tax, and a likely statewide sales tax hike. In the face of a looming recession, another tax hike is the last thing we need in El Cajon.

High taxes in El Cajon will add to the cost of gasoline, driving major retail purchases away from El Cajon to cities that charge lower sales taxes.

PROP J FORCES THE SECOND EL CAJON SALES TAX HIKE IN FOUR YEARS.

El Cajon administrators have spent nearly \$20,000 of your tax dollars to induce voters to support higher taxes.

El Cajon voters shouldn't be bullied into higher taxes by politicians who prey on our genuine concerns for safety services and other vital needs.

Please vote "No on J" to stop higher taxes in El Cajon - the highest tax rate in California. *Tell politicians you resent efforts to fool you about how our tax money is spent.*

Please vote NO on Prop J.

www.NoElCajonSalesTax.org

THE HONORABLE JOEL ANDERSON California State Assemblyman

JOHN O'NEILL San Diego County

Taxpayers Association, Chairman

RICHARD RIDER

MICHAEL METTI

San Diego Tax Fighters, Chairman

El Cajon Homeowner/Businessowner

TONY KRVARIC Republican Party of San Diego County, Chairman

PR-09E0-3 SD 000-000